

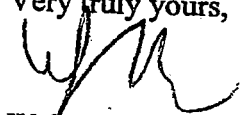
- 4) No contract or bid infractions occurred resulting from non-disclosure of an interest in a business or material provided. The amount of money in any such proceeding has thus far been less than \$4,000.00, and that is much less than state bid requirements for local government. Regardless, it appears RFP's or bids were requested for any work completed. Additionally, there was disclosure of anyones intent in the bidding process.
- 5) The by-laws of the District seem to address a number of the concerns people have and adhering to those or providing copies to interested persons would also help.
- 6) No individual or entity associated with the Polson Rural Fire Dept. in any way is conducting business from either fire hall in Polson or Big Arm. Work vehicles parked at the station do not constitute operating a business there and no mailing to or phone use or other service has been found at either station to accommodate any business.
- 7) The issue of minutes of meetings needs to be addressed in an affirmative manner. Questions of what, how long posted and where posted seem to cause significant stress. My directions to the Fire District Board and staff and volunteers are as follows:
 - a) You cannot correct or proof meeting minutes before the public meeting, with an agenda item that specifies that is occurring. Doing so electronically before a meeting is out of public purview, may not include the whole board, and in Montana "excluding a member of the council itself violates, the open meeting law. Trustees v. Commissioners, (1980) 186 Mont. 148.
 - b) Montana requires a 48 hour notice of a public meeting by a government entity. As noted by our Supreme Court, "subterfuge by public bodies or their members to avoid public scrutiny" is not advisable, see Boulder v. Jefferson High School, 2014 MT 5. Therefore reviewing prior minutes at a public meeting is the best way to proceed. Copies for review and/or posting those electronically provide the public with an opportunity to review those. Costs seem to be an issue for posting and hence a decision of what, when, and for how long it is posted should be made. This may include free services or using the county's site but the discussion and decision should occur.
- 8) While there is a policy adopted March 2015, regarding membership on the Board and Rural Fire District bylaws, a better guideline for how much process is open to the public and how much process is not as a personnel matter should be made. Copies of the bylaws and trustee process are attached. A public process to smooth this issue out would help.

9) A discussion of policies regarding contract with or bids for services should occur, in particular relating to cost reimbursement, building repairs, etc. The issue of disclosure is significant and is necessary to meet the legal requirements. This avoids a conflict of interest problem or unfair enrichment issue, and places in the public eye any question of the ethics of their transaction.

10) The questions about District budget notices and hearings have been asked and answered, and it is my understanding the notice and process have been corrected to comply with the statute.

11) A copy of an article titled "Due Process" is enclosed. It is the best summary of the process of governing that I have seen in the sense of the public. "Fasano" is the best rule to remember. Hope this helps and let me know if there are other questions.

Very truly yours,



Walter E. Congdon
Civil Deputy Lake County Attorney

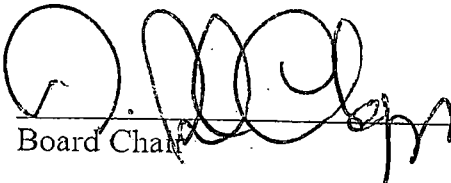
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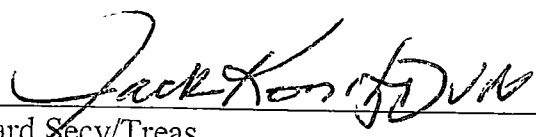
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POLSON RURAL FIRE DISTRICT
CAPITAL IMPROVEMENT PLAN

The Polson Rural Fire District ("District") hereby adopts a Capital Improvement Plan in conformity with MCA 7-6-616 and as set forth herein. The District shall maintain a Capital Improvement Fund aka Capital Reserve Fund for purposes including but not limited to, vehicle acquisition, building construction and/or improvements and/or repairs, vehicle repairs, equipment acquisition and other purposes consistent with the Statute. The amount of any expenditure from the fund shall be \$5000.00 as measured by the total cost of the project undertaken (i.e. building or vehicle construction, etc.).

Adopted this 17th day of September, 2016.


Board Chair


Board Secy/Treas